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24M1/0403

EXAMINER

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ART UNIT  
2411PAPER NUMBER  
7  
DATE MAILED: 04/03/97

**Please find below and/or attached an Office communication concerning this application or proceeding.**

**Commissioner of Patents and Trademarks**

## Office Action Summary

Application No. <b>08/554,704</b>	Applicant(s) <b>Woolston, T.</b>
Examiner <b>Krishna V. Kalidindi</b>	Group Art Unit <b>2411</b>



Responsive to communication(s) filed on Feb 6, 1997

This action is FINAL.

Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

### Disposition of Claims

Claim(s) 1-10 is/are pending in the application.

Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

Claim(s) \_\_\_\_\_ is/are allowed.

Claim(s) 1-10 is/are rejected.

Claim(s) \_\_\_\_\_ is/are objected to.

Claims \_\_\_\_\_ are subject to restriction or election requirement.

### Application Papers

See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

The proposed drawing correction, filed on \_\_\_\_\_ is  approved  disapproved.

The specification is objected to by the Examiner.

The oath or declaration is objected to by the Examiner.

### Priority under 35 U.S.C. § 119

Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

All  Some\*  None of the CERTIFIED copies of the priority documents have been

received.

received in Application No. (Series Code/Serial Number) \_\_\_\_\_.

received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_.

Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

### Attachment(s)

Notice of References Cited, PTO-892

Information Disclosure Statement(s), PTO-1449, Paper No(s). 2,3,4,5

Interview Summary, PTO-413

Notice of Draftsperson's Patent Drawing Review, PTO-948

Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

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***I. § 112 Rejection***

1. Claims 1 - 5, 8 and 9 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
2. Claim 1 recites the limitation "database server" in the last paragraph of the claim. There is insufficient antecedent basis for the "server" portion of the limitation in the claim.

Claims 2 - 5 depend on claim 1 and inherit its deficiency of insufficient antecedent basis.

Claim 8 cites displaying record of sale of a good on a mass storage medium. It is not clear how a record can be displayed on a mass storage medium. The record can be stored on a mass storage medium or displayed on a display means. It is assumed that this record is stored in a mass storage medium.

Claim 9 depends on claim 8 and claims the mass storage medium as a CD-ROM.

***II. Double Patenting***

3. The non-statutory double patenting rejection, whether of the obviousness-type or non-obviousness-type, is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent. *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); and *In re Goodman*, 29 USPQ2d 2010 (Fed. Cir. 1993).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(b) and (c) may be used to overcome an actual or provisional rejection based on a non-statutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.78(d).

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Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

4. Claim 1, 6 and 8-10 are provisionally rejected under the judicially created doctrine of double patenting over claim 6 of copending Application No. 08/427,820 and well known methods. This is a provisional double patenting rejection since the conflicting claims have not yet been patented.

The subject matter claimed in the instant application is fully disclosed in the referenced copending application and would be covered by any patent granted on that copending application since the referenced copending application and the instant application are claiming common subject matter, as follows:

Claim 1 of the instant application cites a system for presenting goods to an electronic market comprising a posting terminal for receiving an image of a good, creating a record of that good and transferring that record; a posting handler for processing a posting request from the posting terminal; a database for storing information about the good; a mapping module for translating the database record into a presentation format and a transaction processor for clearing financial transactions and transferring legal title of a good in response to a purchase request.

Claim 6 cites a method for establishing an electronic market place for goods by creating a data record of a good at a posting terminal including the legal title of the good; transferring the record to a market maker computer and storing the record in a database; displaying the record to

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a participant; clearing a payment from the participant and transferring legal title by changing ownership record of the good in the market maker computer.

Claim 10 is similar to claim 6 except that the price displayed is either a retail or a dealer-to-dealer price depending on who is viewing the price.

Claim 6 of the copending application cites a method for creating a computerized market for used goods by posting a used good on a market maker computer by creating a data record for the good; displaying the data record in response to a participant request for that good and processing an order to buy the good by transferring ownership of the first good.

The creation of the data record in claim 6 of the copending application encompasses the methods cited in claims 6 and 10 of the present application and claim 1 of the present application provides the system for implementing the method of claim 6 of the copending application.

Claims 8 and 9 depend on claim 6 and cite a method of storing the record of a good on mass storage medium claimed as a CD-ROM. Storage of information on mass medium is well known for archiving purposes.

Furthermore, there is no apparent reason why applicant would be prevented from presenting claims corresponding to those of the instant application in the other copending application. *In re Schneller*, 397 F.2d 350, 158 USPQ 210 (CCPA 1968). See also MPEP § 804.

### ***III. § 103 Rejections***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1 - 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Aucnet (Dialog Article) in view of well known methods.

As for claim 1, applicant recites a system for presenting goods to an electronic market comprising: a posting terminal having an input device for receiving an image of a good, user interface software to create a record of a good and a digital interface for transferring the record of the good; a posting handler connected to the posting terminal via the digital interface for processing a posting request from the posting terminal; a database connected to the posting handler for storing information from the record of the good; a mapping module for communicating data from the database by translating the data to a presentation format; and a transaction processor connected to the database server for clearing financial transactions and transferring legal title to the good in response to a purchase request.

Aucnet enables a plurality of auto dealers to take part in an electronic auction for used cars. The dealers can participate from their own offices. The pictures of the cars to be auctioned are transmitted by satellite prior to the auction. In order to transmit pictures over a satellite, digitized images of the pictures have to be transmitted. This is analogous to posting the goods.

Aucnet does not explicitly state that payment is processed online or that title is transferred electronically. However, in order to assure that the bidder fulfills his commitment to purchase an item at the final bidding price of an auction, the auctioning entity would have to complete the

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payment transaction. Electronic payment is well known and is the quickest way to assure payment compliance in an auction. Although Aucnet deals with the auctioning of automobiles, adapting it for use in auctioning or selling other types of goods would have been obvious to one of ordinary skill in the art.

As for the legal title of the good sold, applicant states that it is accomplished by changing the owner data record from the name of the seller to the name of the buyer (Specification, p.22, lines 19-21). It is asserted that Aucnet would have to change the ownership status of a car as it is sold in order to make it unavailable for additional bids. Furthermore, some form of confirmation is needed to indicate to the buyer that his bid was accepted as the final price for the item being auctioned.

As for claim 6, see discussion of claim 1 above.

As for claim 2, having a digital camera attached to a computer for inputting digital images of objects and a modem for transmitting information from a computer is well known. Posting descriptive information for objects along with an image is also well known. One of ordinary skill in the art would have been motivated to use a digital camera for scanning the image of a good as it can be accomplished at the terminal. The use of a modem for transferring information would have been obvious as modems facilitate instant transfer of information between locations. It would also have been obvious to use descriptive information as subjective information that is not reflected by the image can be added to the good.

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As for claims 3 - 5, http and JAVA protocols are well known for presenting information on the world wide web and it would have been obvious to one of ordinary skill in the art at the time of the invention to have utilized these protocols.

As for claim 7, modifying a data record to reflect a new price, such as if the item were to be specially priced for a sale or if the value of the item goes up, for an item is well known. It would have been obvious to one of ordinary skill in the art to have modified the data record in order to ensure that the accurate price for the item is maintained in the system.

As for claims 8 and 9, storing data in a mass storage medium such as a CD-ROM is well known. One of ordinary skill in the art would have been motivated to use a mass storage medium for storing data as large amounts of data can be stored in a central location and CD-ROMs provide a media from which information can be accessed quickly.

As for claim 10, having a retail price and a wholesale price for an item is well known. The dealer price is lower than the customer price as such difference is needed to make the transaction profitable to the dealer. It would have been obvious to one of ordinary skill in the art at the time of the invention to have included both the retail and wholesale price for record keeping as well as to compute the profits earned by the dealer.

7. Claims 1 - 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shavit et al. (4,799,156) and Hamrick (5,451,998) in view of well known methods.

In claim 1, applicant recites a system for presenting goods to an electronic market comprising: a posting terminal having an input device for receiving an image of a good, user

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interface software to create a record of a good and a digital interface for transferring the record of the good; a posting handler connected to the posting terminal via the digital interface for processing a posting request from the posting terminal; a database connected to the posting handler for storing information from the record of the good; a mapping module for communicating data from the database by translating the data to a presentation format; and a transaction processor connected to the database server for clearing financial transactions and transferring legal title to the good in response to a purchase request.

Shavit discloses a system that electronically communicates and processes business transactions between a plurality of sellers and buyers on an interactive basis (col.5, lines 20-24 and col.6, lines 6-18). The system enables buyers and sellers at remote sites to conduct business transactions and communicate with data bases. Orders for items from distributors can be made over the system (col.6, 1.34). Payment for ordered items can be made over the network as well (col.8, lines 55-61).

Shavit does not specifically disclose having an image of a good being offered for sale. Hamrick discloses an apparatus for shopping at home which comprises a video catalog in which a plurality of product images are stored (col.1, lines 64-66). The images may be stored on a CD ROM (col.4, lines 24-28).

As for transferring legal title, the purchase of an item would have to include changing the ownership status of the item sold to reflect the purchase.

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A person of ordinary skill in the art would have been motivated to incorporate the video catalog feature of Hambrick in the system of Shavit to enable a plurality of buyers an opportunity to view the items prior to purchase.

As for claim 6, see discussion of claim 1 above.

As for claim 2, having a digital camera attached to a computer for inputting digital images of objects and a modem for transmitting information from a computer is well known. Posting descriptive information for objects along with an image is also well known. One of ordinary skill in the art would have been motivated to use a digital camera for scanning the image of a good as it can be accomplished at the terminal. The use of a modem for transferring information would have been obvious as modems facilitate instant transfer of information between locations. It would also have been obvious to use descriptive information as subjective information that is not reflected by the image can be added to the good.

As for claims 3 - 5, http and JAVA protocols are well known for presenting information on the world wide web and it would have been obvious to one of ordinary skill in the art at the time of the invention to have utilized these protocols.

As for claim 7, modifying a data record to reflect a new price, such as if the item were to be specially priced for a sale or if the value of the item goes up, for an item is well known. It would have been obvious to one of ordinary skill in the art to have modified the data record in order to ensure that the accurate price for the item is maintained in the system.

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As for claim 10, having a retail price and a wholesale price for an item is well known. The dealer price is lower than the customer price as such difference is needed to make the transaction profitable to the dealer. It would have been obvious to one of ordinary skill in the art at the time of the invention to have included both the retail and wholesale price for record keeping as well as to compute the profits earned by the dealer.

#### *IV. References Cited*

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Barrus et al. (5,465,291) discloses an apparatus for enabling users to order items from a central location.

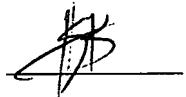
#### *V. Conclusion*

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kris Kalidindi whose telephone number is (703) 308-7811. The examiner can normally be reached on Monday to Thursday from 7:00 AM to 4:30 PM. The examiner can also be reached on alternate Fridays.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Gail Hayes, can be reached on (703) 305-9711. The fax phone number for this Group is (703) 308-5357.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 305-3900.



Kris Kalidindi

Feb. 27, 1997



ROBERT A. WEINHARDT  
PRIMARY EXAMINER  
GROUP 2400